Off Take by Fair Price Shops

3863. SHRI LAJPAT RAI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the actual off take of Fair Price Shops falls short of the standard off take;

(b) whether it is also a fact that detailed guidelines were issued by his ministry in respect of Area Officer Scheme in early 2000; and

(c) if so, the result thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) Yes, Sir. The off take of foodgrains under the Public Distribution System (PDS) in several States has been low.

(b) and (c) Yes, Sir. The Area Officer Scheme was introduced to provide a mechanism to coordinate with State Governments/UTs for regular and effective review and monitoring of Public Distribution System. The Area Officers visit their allotted States/ UTs and submit their tour reports. As a follow up action the reports are sent to the concerned State Governments on the points raised in the reports for resolution of issues. This Scheme has resulted in better coordination and understanding between Central Government and State GovernmentsUTs for effective monitoring and implementation of PDS.

Diversion of PDS Stocks

3864. SHRI LAJPAT RAI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that Public Distribution System stocks are being diverted due to lack of surveillance by the State authorities;

(b) if so, the quantum of foodgrains diverted during the last three years, State-wise; and

(c) whether any effective steps have been taken to put an end to this foul practice?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) to (c) Yes Sir. As per a survey conducted by M& Tata Economic Consultancy Services (TECS) in 1997 the extent of diversion at the National Level has been estimated at 36% for wheat, 31% for rice and 23% for sugar. Many States while recognizing that leakages do take place have disagreed with the percentages of diversion mentioned in the TECS report.

Public Distribution System is implemented under the joint responsibility of the Central and State Govemments/UT Administrations. The Central Government is responsible for procurement, storage and transportation of the PDS commodities upto the Central godowns and making them available to the States. The responsibility for distribution to the consumers through the fair price shops and administration of the PDS rests with the State Governments and UT Administrations. State Governments have been requested to closely monitor PDS at the FPS and other levels and to make arrangements for distribution of PDS commodities in a transparent and accountable manner by the involvement of Panchayati Raj Institutions (PRIs) in the rural areas and local bodies in the urban areas.

In order to streamline the functioning of PDS and make it more accountable and effective, Government of India has issued the Public Distribution System (Control) Order 2001 under section 3 of the Essential Commodities Act, 1955. The PDS Control Order, 2001 contain several provisions to empower State GovernmentsUT Administrations to curb diversin to eliminate bogus rations cards and initiate legal action against erring FPS owners, etc. An offence committed in violation of the provisions of the Order invokes criminal liability under section 7 of Act.